

ACCORD AND SATISFACTION

WHEREAS Salem Hills, LLC and Salem City entered into an agreement entitled “Addendum to the Development Agreement Between Salem Hills LLC and Salem City Concerning the Salem Heights Subdivision” (the Agreement) dated the 7th day of November, 2012; and

WHEREAS, the Agreement requires Salem City to repay Salem Hills LLC the sum of \$102,987.10 from the collection of sewer impact fees to reimburse Salem Hills LLC for a sewer line it installed for the Salem Heights Subdivision it constructed; and

WHEREAS, pursuant to the terms of the Agreement, Salem Hills LLC is to receive 3.5% of sewer impact fees received by Salem City, representing the ratio of the sewer line installed compared to all projects included in the impact fees facilities plan, in effect as of the date of the Agreement; and

WHEREAS, as of the date hereof, the balance owed Salem Hills, LLC by Salem City is \$81,870.47; and

WHEREAS, Salem Hills, LLC is being closed out and desires to offer Salem City a discount if it can pay a lump sum of \$49,122.28 before the end of 2015; and

WHEREAS, Salem City is desirous of taking advantage of the discount offered by Salem Hills, LLC;

NOW THEREFORE, the parties hereby covenant, agree, and contract as follows:

1. The parties hereby agree that Salem City will pay the sum of \$49,122.28 on or before December 30, 2015 in full satisfaction of the sums owing under the Agreement.

2. Upon receipt of the sum of \$49,122.28 on or before December 30, 2015, Salem Hills, LLC fully discharges and releases Salem City from any further obligation under the Agreement and recognizes the obligation of Salem City as paid in full.

3. In the event Salem City fails to make the accord and satisfaction payment as outlined in paragraphs 1 and 2, Salem Hills LLC may refuse payment, or if deposited, refund the payment and the terms of the Agreement shall be reinstated and Salem City shall continue to make quarterly payments as contemplated in the Agreement. If payment is late, but Salem Hills, LLC does not return it, this accord and satisfaction shall act as full and final payment. Salem Hills, LLC is deemed to have accepted late payment if it is not returned within seven days of receipt.

DATED this ____ day of December, 2015

SALEM CITY by:

RANDY A. BRAILSFORD, Mayor

Attest:

Jeffrey D. Nielson, City Recorder

SALEM HILLS, LLC by:

DOUG YATES, Manager